

UNITED STATES DISTRICT COURT  
EASTERN DISTRICT OF NEW YORK

Blue Castle (Cayman) Ltd.,  Plaintiff,  -v-  Nicole Gallagher and Mark Gallagher,  Defendants.	2:24-cv-6104 (NJC) (AYS)
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**MEMORANDUM AND ORDER**

NUSRAT J. CHOUDHURY, United States District Judge:

On August 30, 2024, Plaintiff Blue Castle (Cayman) Ltd. (“Blue Castle”), commenced this action against Defendants Nicole Gallagher and Mark Gallagher (collectively, “Defendants”), seeking to recover on a loan on which Defendants are guarantors. (Compl., ECF No. 1.) On November 4, 2024, Blue Castle filed a Motion for Default Judgment, seeking damages, attorney’s fees, and costs. (Mot. Default Judgment, ECF No. 9.) This Court referred the Motion to Magistrate Judge Anne Y. Shields. (Elec. Order, Nov. 5, 2024.)

On May 6, 2025, Judge Shields issued a Report and Recommendation (the “R&R”) recommending that Blue Castle’s Motion for Default Judgment be granted and that Blue Castle be awarded damages, fees, and costs as follows: (1) \$1,399,880.68 in unpaid principal under the Loan; (2) \$203,423.87 in interest due and owing under the Loan; (3) attorney’s fees in the amount of \$4,455.00; and (4) costs in the amount of \$740.38, for a total monetary award of \$1,608,499.93. (R&R at 14, ECF No. 13.) A copy of the R&R was provided to Blue Castle’s counsel via ECF on May 6, 2025, (*see id.*), and Blue Castle’s counsel filed a certificate of service on May 7, 2025 affirming that she had served the R&R on Defendants that same day by first-class overnight mail at their last known addresses, (*see* ECF No. 14). The R&R instructed that

any objections to the R&R were required to be submitted in writing to the Clerk of Court within fourteen (14) days of service of the R&R. (R&R at 14.) Consequently, the deadline to object to the R&R was May 22, 2025. The date for filing any objections to the R&R has thus expired, and no party has filed an objection to the R&R.

In reviewing a report and recommendation, the court “may accept, reject, or modify, in whole or in part, the findings or recommendations made by the magistrate judge.” 28 U.S.C. § 636(b)(1)(C). If no objections are filed, a district court reviews a report and recommendation for clear error. *King v. Paradise Auto Sales I, Inc.*, No. 15-cv-1188, 2016 WL 4595991, at \*1 (E.D.N.Y. Sept. 2, 2016) (citation omitted); *Covey v. Simonton*, 481 F. Supp. 2d 224, 226 (E.D.N.Y. 2007).

Because no party has timely filed objections to the R&R, I may review the R&R for clear error. *King*, 2016 WL 4595991, at \*1. Nevertheless, I reviewed the R&R de novo out of an abundance of caution. Having reviewed the motion papers, the applicable law, and the R&R, I adopt the thorough and well-reasoned R&R’s recommendation that Blue Castle’s Motion for Default Judgment be granted, and its recommendations as to the amount of damages, attorney’s fees, and costs to be awarded to Blue Castle.

Accordingly, Blue Castle’s Motion for Default Judgment (ECF No. 9) is granted, with rates and hours for attorney’s fees as set forth in the R&R. The Court awards Blue Castle

\$1,608,499.93 as follows: \$1,399,880.68 in unpaid principal, \$203,423.87 in interest, \$4,455.00 in attorney's fees, and \$740.38 in costs.

Dated: Central Islip, New York  
July 17, 2025

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*/s/ Nusrat J. Choudhury*  
NUSRAT J. CHOUDHURY  
United States District Judge